



EX PARTE VIA ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Notice of *Ex Parte* Presentation, CG Docket No. 02-278.

Dear Ms. Dortch:

On April 25, 2017, the undersigned, and Chris Lamond of Thorn Run Partners, representing Encore Capital Group (“Encore”), met with several members of the Federal Communications Commission’s (“FCC”) Consumer and Governmental Affairs Bureau: Karen Schroeder, Attorney; John B. Adams, Deputy Chief, Policy Division; and Christina Clearwater, Attorney Advisor.

At the meeting, I provided background to the FCC on Encore, advising that Encore is the world’s largest debt purchaser and focuses its purchasing and collections on credit card debt. I described Encore’s Consumer Bill of Rights¹, and Encore’s consumer-centric policies and practices. As examples of this, I described Encore’s policy to charge no fees or interest on purchased debt, and to suspend collections for active duty servicemembers, medical, loss of job or other hardships. We discussed Encore’s compliance-driven culture and how we strive to partner with our consumers in a collaborative, transparent manner. To accomplish this, robust communication with our consumers is essential.

To this end, I provided background on Encore’s practices to effectively communicate with our consumers. We discussed our methodology for reaching our consumers, in which we initially mail consumers a letter explaining that we are the new owner of their account, and include a validation notice in compliance with the Federal Fair Debt Collection Practices Act (FDCPA)². Subsequently, we determine the best telephone number at which to reach our consumers and follow up with calls, many of which are conducted via manual dialing. Once we have the appropriate consent, we use a predictive dialer to effectively and efficiently contact our consumers. I described Encore’s predictive dialer, which does not have the current ability to dial random or sequentially generated numbers. I also discussed the compliance benefits predictive dialers bring, including supporting our ability to fully comply with the FDCPA. Further, we explained that Encore does not use robocalls or recorded messages of any kind.

With regard to litigation, specifically *ACA International v. FCC* pending in the D.C. Circuit Court of Appeals, we advised that it is our hope that the courts allow the FCC to clarify that the FCC’s 2015 interpretation of an autodialer was overly broad, and was inappropriately expanded to potentially include predictive dialers and other devices that do not have the current ability to dial random or sequentially

¹ See <https://www.encorecapital.com/about/consumer-bill-of-rights-english>

² 15 U.S. Code § 1692g



generated numbers. We urged the FCC to take action to appropriately narrow the definition of an autodialer so as to not include predictive dialers, which provide critical compliance benefits to consumers and businesses alike.

Further, we discussed with the FCC how Encore and the debt purchasing industry are unique relative to most entities that are concerned about this issue. Banks and other original issuers of credit card debt, as well as third party collectors, are able to directly contact consumers with whom they entered into the original contract. In contrast, debt buyers purchase existing accounts and, at the time of purchase, do not have the benefit of routine and regular communications with our consumers. As a result, to obtain consent from our consumers, we must first contact them through manual dialing. This indirect relationship with our consumers when we purchase accounts creates a unique problem for the debt purchasing industry, in terms of obtaining consent from consumers.

To make matters more difficult, I described the high frequency with which our consumers change their cell phone numbers. To this point, I mentioned results from Encore's robust data analytics function on how consumers change their cell phone numbers frequently. Every 6 months, 19% of Encore's consumers' phone numbers are no longer active. As a result, any consent to call cell phones obtained at one point may be useable only for several months. In today's environment of frequent phone number changes, obtaining consent to contact each new telephone number hampers important account communications and is impractical for both consumers and businesses alike.

Thank you for your attention to this correspondence. In accordance with Section 1.1206(b)(2) of the Commission's rules, this letter is being filed electronically with your office.

Respectfully submitted,

/s/ Sheryl Wright

Sheryl Wright

Senior Vice President, Corporate & Government Affairs

cc: Mark Stone
John B. Adams
Christina Clearwater
Karen Schroeder